



The Conference Board

MONTHLY UPDATE TO

International Economic Scoreboard

A Monthly Report from The Conference Board

April 1988

STEADY GAINS FOR WORLD ECONOMY MIXED SIGNALS FOR FUTURE —But Recession Threat Seems More Remote

SUMMARY

Worldwide, the major economies continue to expand at a sturdy pace. As we look ahead, the leading indexes are sending mixed signals: favorable if you ignore last Fall's plunge in stock prices, otherwise cautionary.

Regionally, the pattern of the past year continues: In the Pacific Region the expansion is gaining strength, while the sluggishness in Europe promises to persist.

Nationally, South Korea is far out in front in terms of vigorous growth in both indexes, while West Germany is the cellar-dweller.

Interpretation: The signals are slightly more encouraging this month, and thus the threat of a recession near term is more remote. But the possibility cannot be ruled out, except perhaps in South Korea, Taiwan and Japan.

Summary Of Growth Rates, Ten Industrial Countries

	Ten-year Growth Rate	Indexes of Economic Performance Growth Rates*			Leading Business Cycle Indexes Growth Rates*			Current Reading on the Cycle	Latest Month Covered
		6 mos. ago	3 mos. ago	Latest month	6 mos. ago	3 mos. ago	Latest month		
	1976-86								
		annual rates, percent							
Ten countries	3	4	5	5	14	10	4	Expansion continuing	Jan.
9 countries excl. U.S.	3	4	5	5	18	12	5	Expansion continuing	Jan.
North America (2)	3	4	5	5	9	7	3	Expansion continuing	Jan.
Europe (4)	2	4	4	5	5	3	0	Expansion continuing, leaders weak	Jan.
Pacific Region (4)	4	5	6	6	39	26	13	Expansion continuing, leaders strong	Jan.
United States	3	4	5	5	10	5	3	Expansion continuing	Feb.
Canada	3	5	7	6	5	4	6	Expansion continuing	Jan.
West Germany	2	3	4	3	5	4	0	Expansion continuing, leaders weak	Feb./Jan.
France	2	5	5	5	6	2	1	Expansion continuing, leaders weak	Jan./Feb.
United Kingdom	2	6	6	7	5	4	2	Expansion continuing, leaders weak	Jan.
Italy	2	1	4	6	4	1	2	Expansion continuing, leaders weak	Jan./Dec.
Japan	4	3	6	9	45	30	13	Expansion continuing, leaders strong	Feb./Jan.
Australia	3	7	6	9	12	5	3	Expansion continuing	Feb.
Taiwan, R.O.C.	8	13	8	9	16	13	13	Expansion continuing, leaders strong	Feb.
Korea, R.O.K.	7	11	12	17	14	9	24	Expansion continuing, leaders strong	Jan.

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

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INDEXES, WORLDWIDE AND BY REGION, 1986-87

	10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (4)		10 Countries		9 Countries excl. U.S.		North America (2)		Europe (4)		Pacific Region (3)		
	Indexes, 1980 = 100										Growth Rates, Percent										
	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	
July	86	114	118	114	115	113	122	108	112	125	119	3	3	4	3	2	4	4	3	3	5
Aug.	86	114	118	114	115	113	122	108	113	125	120	3	3	3	3	2	3	4	2	3	5
Sept.	86	114	119	115	116	114	122	108	113	126	122	3	4	4	5	2	4	4	3	4	8
Oct.	86	114	119	115	117	114	122	108	113	126	124	3	4	4	6	2	3	4	3	4	11
Nov.	86	115	119	115	118	114	121	109	113	126	126	3	4	3	6	2	1	4	2	3	12
Dec.	86	115	121	116	119	115	124	109	114	127	128	3	6	3	8	3	4	3	3	4	15
Jan.	87	115	122	116	120	114	124	109	114	128	131	3	7	3	8	2	5	3	3	5	17
Feb.	87	116	124	116	121	116	127	109	115	128	132	3	9	3	9	3	8	3	4	4	17
Mar.	87	116	125	117	123	116	127	109	116	128	136	3	10	3	11	3	9	3	4	4	22
Apr.	87	116	127	117	126	116	128	110	117	128	142	3	12	3	13	3	9	3	5	3	28
May	87	116	128	117	127	116	128	110	117	128	146	3	12	3	14	3	7	3	5	2	31
June	87	117	131	118	130	116	130	111	117	129	153	3	14	4	17	3	10	3	5	4	38
July	87	118	132	119	132	117	131	111	118	130	157	4	14	4	18	4	9	4	5	5	39
Aug.	87	118	134	119	134	118	132	111	118	130	163	4	15	4	19	4	9	4	5	4	42
Sept.	87	119	134	120	134	118	133	112	118	132	163	5	13	5	16	4	9	4	4	6	35
Oct.	87	120	133	120	133	119	132	112	118	133	161	5	10	5	12	5	7	4	3	6	26
Nov.	87	120	132	121	132	119	131	113	117	134	158	5	6	6	8	5	5	5	1	7	17
Dec.	87	121	132	122	132	120	131	113	116	135	158	5	5	6	6	5	3	4	0	8	14
Jan.	88	121	132	122	132	120	132	114	117	135	160	5	4	5	5	5	3	5	0	6	13
Ten Year Annual Growth Rate, Percent																					
	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	2	2	2	4	4	

INDEXES, TEN COUNTRIES, 1986-88

		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.		Korea, R.O.K.	
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Indexes, 1980 = 100																					
July	86	113	122	117	116	108	111	112	115	104	112	107	113	123	116	118	114	149	160	164	166
Aug.	86	113	122	117	116	108	111	112	115	104	112	106	113	123	116	119	115	150	162	167	168
Sept.	86	113	123	118	116	108	111	112	116	105	113	107	113	124	119	118	116	152	163	167	169
Oct.	86	113	123	117	116	108	111	112	116	105	113	107	114	124	121	119	118	154	165	168	169
Nov.	86	114	122	117	116	108	112	113	115	106	113	107	114	124	123	120	119	156	168	169	170
Dec.	86	114	124	118	116	108	112	113	117	106	113	107	115	125	126	119	121	158	169	170	172
Jan.	87	114	125	118	117	108	113	113	117	106	115	107	114	126	128	119	121	158	169	174	172
Feb.	87	115	128	119	118	108	114	113	117	107	115	107	115	125	129	120	122	162	174	177	181
Mar.	87	115	128	120	119	108	114	114	118	107	116	107	116	125	135	120	124	160	174	180	179
Apr.	87	116	129	121	120	109	114	114	120	108	115	108	117	125	141	121	125	163	180	179	182
May	87	116	129	121	120	109	114	115	121	108	117	108	116	124	146	122	126	163	181	180	182
June	87	116	132	122	120	110	115	116	121	109	116	107	117	126	154	123	127	165	182	182	186
July	87	117	132	122	121	110	116	116	121	110	117	108	117	127	158	125	128	168	183	183	187
Aug.	87	117	133	123	121	110	117	116	121	110	117	106	115	127	166	125	130	170	187	181	187
Sept.	87	118	134	124	123	110	116	117	122	111	117	108	116	129	164	126	130	171	192	190	195
Oct.	87	118	133	125	122	110	116	118	121	112	118	109	116	129	162	126	130	171	194	189	188
Nov.	87	118	132	125	123	111	115	118	120	112	117	109	115	130	158	126	129	171	192	194	195
Dec.	87	119	132	126	123	111	114	118	120	113	116	108	114	131	159	129	129	170	193	197	200
Jan.	88	119	132	126	124	111	115	119	120	113	117	111		131	160	127	128	168	192	200	209
Feb.	88	120	133			112			121					134		130	129	174	198		
Growth Rates, Percent																					
July	86	2	4	2	2	6	-1	4	6	3	2	3	4	2	4	1	0	12	13	17	22
Aug.	86	2	3	2	2	5	0	4	5	2	1	1	3	2	4	2	1	12	13	19	20
Sept.	86	2	4	2	2	5	0	4	6	3	3	2	4	3	8	1	5	13	12	15	18
Oct.	86	2	3	2	2	4	0	4	6	4	2	2	4	3	11	2	7	13	12	14	16
Nov.	86	2	1	1	1	4	1	3	4	4	3	2	4	2	13	2	8	13	14	13	14
Dec.	86	3	4	2	2	3	2	4	5	4	3	2	3	3	16	1	10	14	13	12	14
Jan.	87	2	5	2	3	2	3	3	4	4	5	2	2	4	19	1	10	13	12	15	11
Feb.	87	4	8	3	4	2	5	3	4	5	5	1	3	3	17	3	10	15	15	16	19
Mar.	87	3	8	4	5	2	3	3	5	4	5	1	3	3	24	2	12	11	13	16	14
Apr.	87	3	9	5	6	3	4	4	8	5	4	2	5	1	31	3	12	13	16	13	15
May	87	3	8	5	5	2	3	4	7	4	6	2	3	1	35	4	13	11	17	11	12
June	87	3	10	6	5	2	4	5	7	5	4	1	4	3	44	6	12	11	15	12	15
July	87	4	9	5	5	3	5	5	6	6	5	1	3	4	45	8	11	12	14	11	14
Aug.	87	4	10	6	5	3	6	5	6	6	5	-1	0	3	50	7	12	13	16	7	4
Sept.	87	4	10	6	8	3	4	5	6	6	4	1	1	5	39	8	12	12	20	15	19
Oct.	87	5	7	7	4	3	4	5	3	6	4	4	1	6	30	7	9	10	18	12	9
Nov.	87	5	5	7	5	4	1	5	2	7	1	3	0	6	18	6	5	8	13	16	15
Dec.	87	5	3	7	5	3	-1	5	1	7	0	2	2	7	15	10	5	6	12	16	17
Jan.	88	5	3	6	6	2	0	5	-1	7	2	6		6	13	6	3	3	9	17	24
Feb.	88	5	3			3			1					9		9	3	9	13		
Ten Year Annual Growth Rate, Percent																					
1976-86		3	3	3	3	2	2	2	2	2	2	2	2	4	4	3	3	8	8	7	7